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Blame Clinton/Gore for Increased Fuel Prices

The current price spike in fuel affecting diesel and home heating oil prices has once again focused attention on this country's dependence on foreign sources of oil. While the United States will never be entirely free of its reliance on foreign sources — no matter how much we find and produce within our own borders — most agree we should work to minimize that dependence both for national security and economic reasons. The Clinton/Gore Administration has not done this. In fact, this administration has assured our dependence on foreign sources will only grow.

Under the Clinton/Gore Administration, oil consumption has grown 14 percent — and so has dependence on foreign sources of crude oil. Our use of foreign sources has escalated from 48 percent to 56 percent, even while this administration has claimed reducing that reliance to be a national objective. Compare that number to our rate of dependence during the 1973 Arab oil embargo: 36 percent. Meanwhile, domestic crude oil production has fallen 17 percent since 1992, and the Department of Energy estimates our reliance on foreign sources will rise to 65 percent within the next 20 years — if we stay on our present course.

When the Department of Energy Organization Act (P.L. 95-91) was passed in 1977 it required the administration to regularly submit to Congress a "National Energy Policy Plan." The Clinton/Gore 1998 National Energy Plan did contain a number of "initiatives" designed to limit our reliance, yet none has been realized. Here's a sampling of objectives taken from the 1998 National Energy Plan:

- ▶ Develop advanced coal/gas powerplants and improve existing nuclear powerplants.
- ▶ Adopt new/innovative energy-efficient and renewable technologies.
- ▶ Stabilize domestic production, diversify import sources, and reduce consumption.
- ▶ Increase domestic gas production.

Clinton/Gore Devotion to Demonizing Fossil Fuel Use Ups Foreign Reliance

The Clinton/Gore Administration has not delivered on its National Energy Plan objectives, but worse than that, this administration is actively trying to kill off the use of fossil

fuels. Coal, oil, and natural gas remain our most abundant and affordable fuels, and they can be used in environmentally sound ways.

- **Coal Use Threatened:** The Clinton/Gore Administration is actively engaged in a war on industrial users of coal. The Environmental Protection Agency is suing a number of utilities in the South and Midwest who have made normal maintenance efforts and equipment changes that have improved efficiency and reduced (or not increased) emissions. Some 55 percent of the electricity generated in the United States comes from coal-fired steam generating plants. Reducing our ability to use coal, our nation's most abundant energy source, means simply that we must rely more on oil and natural gas.
- **Funding Down for Advanced Coal Technologies:** Furthermore, during the past four years the Clinton/Gore administration has tried to reduce funding for research into advanced coal technologies which are meant to find ways to use coal more efficiently and cleanly. Each time the Republican Congress has resisted these efforts and allowed for modest annual increases in research funds.
- **No Incentives for Increased Gas Production:** The Clinton/Gore Administration has vowed to increase domestic gas production to displace oil and coal. Yet, that hasn't happened. The United States produced 54.9 billion cubic feet per day (bcfd) of natural gas in January 2000, up slightly from 54.7 bcfd at the same time last year [Department of Energy]. Annual gas production is about 20 trillion cubic feet (TCF), an amount which is about 3 TCF higher than it was in 1980. If we are to grow our use of domestic gas supplies, then we must significantly increase our efforts to explore within our own borders.

The Administration actively should have been exploring strategies for increasing natural gas use. In fact, the Secretary of Energy requested a report from the National Petroleum Council, an advisory body, but that report has been sitting on the Secretary's desk since December! The Administration has been silent on its recommendations for increasing gas availability to markets such as the Northeast United States so strongly hit by higher heating oil and diesel fuel prices. Making domestic natural gas supplies available to these markets would have lessened — and will in the future lessen — the shock of oil-price spikes.

Closing Doors to Nuclear and Alternative Sources Too Ups Foreign Reliance

- **Nuclear Energy Use Threatened:** The Clinton/Gore Administration has threatened to veto legislation to create a permanent high-level nuclear waste storage site in Nevada. Because of an impending storage crisis, nuclear plants will be forced to cease operation if a permanent facility is not soon created. Furthermore, funding for nuclear power research has been neglected by the Clinton/Gore Administration but the Republican Congress has bucked the Administration and provided increases for research — \$39 million more than the Administration's request for FY 2000. Nuclear electric generating facilities account

for about 20 percent of our electricity demand and help keep down the need for more imported oil.

- **No great breakthrough with renewable sources:** Only 3 percent of the nation's electricity comes from these sources but the Clinton/Gore Administration has made much of its intent to increase reliance on renewable sources of energy, such as wind power and increased use of solar energy. And while Congress has consistently supported research and development funding for these technologies and spent hundreds of millions of public dollars to promote them since the energy crisis in the mid-1970's — \$362.2 million in FY 2000 — no major progress has been made toward significantly greater output from these sources. The Administration's own Energy Information Administration recently reported past efforts have produced meager results and no immediate breakthroughs are anticipated with future investments.

Clinton/Gore Energy "Plan" Ignores Reality, Reduces U.S. to Beggar Status

The Administration has committed to "stabilize" domestic oil production. Instead, over the past seven years our dependence on foreign oil has risen 17 percent and domestic production has dropped 14 percent. But "stabilizing" production misses the mark entirely. With imports accounting for 56 percent of total demand and the Persian Gulf oil accounting for nearly half of that, the United States should be attempting to develop more of its own resources to reduce our dependence. If we don't, our dependence will continue to rise and we will be more vulnerable to price fluctuations as well as the more serious specter of supply interruptions.

The way to boost domestic oil and gas production is to open more federal lands to exploration and production — which is precisely contrary to Clinton/Gore policies.

- **Ignoring the Potential of Federal Land in Alaska:** The Clinton/Gore Administration has refused to even consider exploration of the Alaska National Wildlife Refuge which could contain up to 19 billion barrels of oil — twice the size of the reserves at Prudhoe Bay.
- **Ignoring the Potential of the Outer-Continental Shelf:** In June 1998, the Clinton/Gore Administration withdrew from consideration for future oil and gas leasing in excess of 80 percent of the federal outer-continental shelf (OCS) until June 2012. Areas off the west coast of Florida and the east coast of North Carolina could contain large quantities of gas and oil, but exploration has been severely limited, and as a result, industry is unable to provide solid resource estimates. According to congressional testimony offered in the late 1980s, the federal OCS off California could contain the equivalent of between 10 billion and 13 billion barrels of oil. Yet, no leasing has occurred in the last decade and existing production is in decline.
- **Onerous Land Use Plans Prevent Locating New Sources:** Since the beginning of the Clinton/Gore Administration, dramatic restrictions also have been placed on federal lands

in the lower 48 states for oil and gas exploration. Federal land use plans are making it all but impossible for private concerns to lease and develop federal oil and gas resources.

Continuation of these Clinton/Gore policies ensures our growing dependence on foreign sources of crude oil and finished products. Is sending our energy secretary, hat in hand, to OPEC nations to beg for higher production rates the answer we are looking for? But it seems to be this administration's only response. A high price for Americans to pay just to burnish Vice President Gore's record for the extremists in the environmentalist lobby.

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